

The Assembly met at 10 a.m.

Prayers

**ROUTINE PROCEEDINGS**

**PRESENTING REPORTS BY STANDING, SELECT, AND SPECIAL COMMITTEES**

**Communications**

**CLERK ASSISTANT:** — Mr. Speaker, as chairman of the Standing Committee on Communications, presents the seventh report of the said committee, which is as follows:

Your committee has considered the recommendations of the Public Documents Committee under The Archives Act contained in the retention and disposal schedules comprising sessional paper 155 of the fourth session of the 20th legislature. Your committee recommends to the Assembly that the recommendations of the Public Documents Committee on schedules 244 to 251 inclusive be adopted as amended.

**MR. LINGENFELTER:** — Mr. Speaker, I move, seconded by the member for Saskatoon Centre:

That the seventh report on the Standing Committee on Communications be now concurred in.

Motion agreed to.

**INTRODUCTION OF GUESTS**

**HON. MR. ANDREW:** — Mr. Speaker, I would like to introduce to the Assembly today a group of 17 students from the Kindersley Christian Fellowship. They are accompanied by their teacher, Carol Gerle, along with their chaperons, Marge Bailey, Lexie and Leonard Nash, Phil and Pat Rondeau, Barb and Dennis Dunn, and Pastor and Mrs. Klan.

This group has travelled from Kindersley; they're sitting in the Speaker's gallery, dressed in their finest; and I would like all members to welcome this group of students to the Assembly.

**HON. MEMBERS:** Hear, Hear!

**MR. THOMPSON:** — Thank you, Mr. Speaker. I'd like to introduce to you today, and through you to the Assembly, one of Saskatchewan's newest athletes to bring a national title to our province, and I speak of Michael Meekins of Saskatoon. On June the 8th Michael competed in the Canadian wrestling championships, Mr. Speaker, and at that time he won the Canadian midget championship. In July Michael will be travelling to France to compete in the world midget wrestling championship. He is seated today in the Speaker's gallery, along with my youngest son, Rodney, who is a class-mate of his out at Notre Dame College.

On behalf of all members, Michael, we congratulate you on winning the Canadian championship for Saskatchewan, and we wish you every success in the world championships in France. I would ask Michael to stand and be recognized, and ask all members to welcome him here to the legislature today.

**HON. MEMBERS:** Hear, Hear!

**HON. MR. BERNTSON:** — I just want to put on record, Mr. Speaker, that I'm very, very

proud of both Michael and Rodney for the fine way in which they conduct themselves in representing Notre Dame, a school that I am very, very proud of.

**HON. MEMBERS:** Hear, Hear!

**MR. SMITH:** — Mr. Speaker, I would like to present to you and through you a group of students from the St. Mary Elementary School in Moose Jaw — 15 in number, and they are grade 6 students. They're in the Speaker's gallery. Their teacher is Mrs. Frances Pearce. They drove down here this morning, and I hope their stay in the legislature is informative. And I will be meeting with you at 10:45 for pictures, and I'd ask all members to greet them.

**HON. MEMBERS:** Hear, Hear!

**MR. PARKER:** — Thank you, Mr. Speaker. It's a privilege for me this morning to introduce to you, and through you to the members of the Assembly, a group of 54 grade 12 students visiting with us from Vanier Collegiate in Moose Jaw, located in the centre of the Moose Jaw North constituency.

The group is accompanied this morning by their teacher, Mr. Jerry Cherneski; and by chaperon, Rose Mary Hartney; and by, I guess we'll call it chaperon, teacher, and bus driver, Guzik Andreoni.

I'd like to advise the group that I'll be meeting with them after question period for pictures and refreshments in Room 255. I hope that you have an enjoyable stay, and your tour of the legislature is very interesting and informative.

And I'd like to ask all members on both sides to join with me in welcoming the group here this morning.

**HON. MEMBERS:** Hear, Hear!

## ORAL QUESTIONS

### Withdrawal of Services by Interns and Residents at Saskatchewan Hospitals

**MR. LINGENFELTER:** — Mr. Speaker, a question to the Minister of Health, and it has to do with the withdrawal of services of Saskatchewan's 206 interns and residents at six hospitals in Saskatchewan. Mr. Minister, you will know that the issue at the heart of the dispute is binding arbitration.

I want the minister to explain why binding arbitration is such a hang-up for your government when in fact in the recently announced and agreed to Saskatchewan agreement this in fact was part of that agreement. And considering the fact that the interns and residents in all other provinces except Newfoundland have this provision, I wonder why you are having such a difficult time in accepting that from the interns and the other people involved here, including the residents of the province.

**HON. MR. TAYLOR:** — Mr. Speaker, for the information of the member opposite, I have nothing to do with these negotiations at all. It's with the postgraduate committee of the University of Saskatchewan, that are negotiating with PAIRS (Professional Association of Interns and Residents of Saskatchewan), the interns and residents. My concern, of course, as Minister of Health, is for patient care. I'm monitoring it daily. I'm assured by the administrators of the hospitals that the doctors, the family practitioners, are filling in. There is no deterioration in patient care, and that's the only aspect that basically I'm concerned about.

As far as the negotiations, I have no idea of what's taking place there. I know that the Minister of

Labour has appointed a mediator, one that I believe has considerable experience. I'm very optimistic that the mediator will bring the two parties together, and we should have a settlement in the near future.

**MR. LINGENFELTER:** — A supplement to the minister. I wonder whether or not, Mr. Minister, while you say you are not responsible in any way: can you indicate to the Assembly whether or not in fact four of the six hospitals are owned by the government, owned by the Government of Saskatchewan? And how you can get off in saying that as the minister in charge of health, you have no responsibility for the health care of patients in the hospitals, and responsible for the 206 interns and residents who have withdrawn their services . . . Of course, Mr. Minister, these people, working between 70 and 90 hours a week, 206 of them — and you say that has no impact on the health care of the people of this province. I think you should review the situation and meet with the individuals, and I would ask you now whether you would bend to the request of the interns and the residents of the province who have wanted to meet with you, and you have refused.

**HON. MR. TAYLOR:** — First of all, I have not refused to meet with them. Secondly, as I said previously, my concern as the Minister of Health in Saskatchewan is for the care of the patients in the hospitals. I monitor that daily. I am assured by the administrators of the hospitals that there is no deterioration in patient care, and I can assure you, Mr. Speaker, and I can assure the people of Saskatchewan, I will continue to monitor that.

As far as the labour dispute, it's in negotiations. The Minister of Labour has appointed a mediator. The mediator, as I believe, will be meeting on June the 15th, and I say to you, Mr. Speaker, and other members of this Assembly, I do hope that both sides can take the guidance of the mediator and solve this impasse at this time.

**MR. LINGENFELTER:** — A new question to the minister. A new question to the minister, Mr. Speaker, and it has to do with a statement made by the minister here in the Assembly that he has not refused to meet with the interns and residents. Now I want to get this on record straight, Mr. Minister, because we met with the interns and residents this morning. They clearly indicated that they had requested a meeting which you had refused. Now I want to get clear whether or not you refused to meet with this group of people who provide medical services to the people of the province. Did you agree or disagree to meet with them when they requested that meeting?

**HON. MR. TAYLOR:** — Mr. Speaker, I've indicated to Mr. Linklater that I would meet with them. I have no intention to meet with them to discuss what's going on in negotiations. I think that would be improper at this point in time. I think we believe to let the collective bargaining process take its steps, and certainly with the appointment of mediation I think that is taking place. So I have no intention to discuss the workings of the negotiations, but as the interns and residents well know, they can meet with me at any time. And secondly, on matters other than what's on the negotiating table, and if the member would check the record he will know that I personally have spoke to these people at different occasions at the University of Saskatchewan.

**MR. LINGENFELTER:** — New question, Mr. Speaker. I have a question to the minister, and it involves the proposal to withhold certificates, to withhold certificates to interns and residents who will be eligible for them at the end of this month. Mr. Minister, the interns are a few days away from completing their year as interns and yet the hospitals — and I remind you four of them which are owned by your government — are threatening to withhold certificates. I wonder if you, as minister, would in fact become involved in the dispute to the extent that you give your guarantee that your hospitals will not withhold the certificates from interns and the residents who are involved in completing their studies and training at the hospitals.

**HON. MR. TAYLOR:** — The member opposite is asking me to interfere in the operations of the medical college. That's what he's asking. Now I would say, I would think if they are on strike and they are in danger of losing their certification because of some days off the job, and the College

of Medicine and the University of Saskatchewan are contemplating withholding certificates, to me that seems a very valid reason to get on with the mediation and solve this.

**MR. LINGENFELTER:** — Supplementary, Mr. Speaker. The minister will be aware, and should be, and I should tell him very clearly, that we checked with the College of Physicians and Surgeons about half an hour ago, and they deny that they are withholding the certificates, and it's being done by the hospitals; and if the minister had any idea of how the certificates were being given out or how they are presented, they are signed by the hospital administrator and by people at the hospital, not by the College of Physicians and Surgeons.

And I want to tell you, Mr. Minister, that you're not only not watching what's going on here, you're confused as to how the process works. And I will ask you again whether or not you will guarantee that your hospitals, the four that you own, will not withhold the certificates to the interns and residents who are looking forward to graduating at the end of this month.

**HON. MR. TAYLOR:** — Mr. Speaker, again the member opposite does not listen. I never mentioned the College of Physicians and Surgeons. I said that that was up to the school of medicine, and I have no intention to interfere with the operation of the University of Saskatchewan or the school of medicine.

**HON. MR. BLAKENEY:** — Supplementary, Mr. Speaker. Is the minister aware that if certificates from interns are withheld, then interns who will have completed all their training at the end of this month will not be available . . . Are you aware that such people will not be available to serve in hospitals throughout Saskatchewan, and are you aware that some were scheduled to serve in rural hospitals, and have you made arrangements to find other physicians for those particular hospitals who will be deprived of the services of a Saskatchewan-trained physician if they do not get these certificates?

**HON. MR. TAYLOR:** — First of all, there's no concrete evidence that certificates are going to be withheld. So why would I start to make arrangements when this may well be worked out in the next few days?

### **Provision of Pharmaceuticals in Extendicare Nursing Homes**

**MR. SCHMIDT:** — Mr. Speaker, I have a question to the Minister of Health, and it's on a topic what I was contacted on. There is some independent business people in the city of Regina are concerned about the viability of their independent businesses, and that in particular, some pharmacists. The information I have is that Extendicare nursing homes has signed a deal in Toronto with Shoppers Drug Mart owned by Imperial Tobacco, so that all of the pharmaceutical work will be done in Extendicare homes by Shoppers Drug Mart, therefore cutting out independent business in the city of Regina.

I'm wondering if the minister is aware of this and if there is anything that he could do to alleviate the situation so that deals are not cooked in Toronto cutting out independent business people in Regina.

**HON. MR. TAYLOR:** — Yes, I'm aware that this is happening, and I've been in discussion with Extendicare. Of course, I can't dictate to them how they run their business. I've indicated to them that the Saskatchewan government would like to see, of course, the work and the provision of pharmaceutical services being done by the smaller pharmacies if possible. I guess they have to look at competitive costs. The last discussions I had with the western manager of Extendicare would be that they would be doing this and monitoring it very closely for this year. They've signed a contract for this year and it is Shoppers Drug Mart, but certainly we as a government, both myself and the minister of small industry and commerce, have registered our concerns about this.

**MR. SCHMIDT:** — A supplementary to the Minister of Health. In Saskatchewan, are these senior citizens living in nursing homes entitled to choose their own pharmacy, the one they've dealt with for years and years, regardless of what kind of deal is cooked between the nursing home and a drug company?

**HON. MR. TAYLOR:** — No. in the cases where the Extendicare nursing home patients . . . They would probably be all supplied by Shoppers Drug Mart.

### **Funding for Construction of Nursing Homes**

**MR. ENGEL:** — Thank you, Mr. Speaker. I have a question to the Minister of Health and that's regarding your policy on construction of nursing homes and your change of policy. The new policy that you've announced has doubled the contribution that is required of local communities. The provincial government contribution in the past has been 20 per cent. You've changed so that you're only contributing 13 per cent, but you've increased the local contribution from 8 per cent to 15 per cent.

Will your government at least follow through with the new nursing homes that had been approved under the old formula, rather than force local communities to have to go back to get a construction project, to double the contribution and raise that extra funds that they previously required? Will you allow these homes, which have already been approved, to proceed under the old formula?

**HON. MR. TAYLOR:** — We have met with the homes that will be going ahead in this year. And the ones that were approved prior to the formula coming in are under the old formula.

**MR. ENGEL:** — Mr. Speaker, that's not what . . . A couple of examples that we have here today, and I want to read from a letter that's addressed to you on the 16th of May from the town of Gravelbourg:

We as a town council feel satisfied that since negotiations with the federal and provincial government have been finalized on a basis of an 8 per cent local contribution, your department will continue with this project on the previously agreed to percentage.

Will you honour the agreement that the town and the R.M. and the Gravelbourg community have made? And they've gone back . . . The town administrator has told me that he's gone back to the local councils, those involved in participation, and has received the funding. And they will not approve doubling the amount. They can't afford it. Will you honour the agreement that has been reached between them and yourselves and the federal government?

**HON. MR. TAYLOR:** — Well, Mr. Speaker, I would have to look at the agreement with Gravelbourg. As you know, I have a five-year program with over 1,500 beds in 60 different communities. I'm not positive which year Gravelbourg falls into, but I will review that situation.

But certainly the policy is that those that were announced previously, as I said a minute ago, will be under the old formula. All the other ones will fall subject to the new formula. I will check Gravelbourg for you.

**MR. LINGENFELTER:** — Supplementary, Mr. Speaker. It has to do with the funding formula, and the formula as it will affect the proposed Duck Lake nursing home where they have been told that because of your policy change, that 30-bed nursing home will cost the local community almost a quarter of a million dollars more to construct. This is what the local board is telling us. And this, Mr. Minister, is a major shift in taxation to the local communities, whereby the R.M.s and town councils will have to, in one way or the other, in Duck Lake, raise another quarter of a million dollars.

I wonder if in this case as well, Mr. Minister, you would look at extending the old formula of 8 per cent involvement in the local community, as opposed to your new formula which calls on the local community to raise 15 per cent. You will know the drastic impact that a 100 per cent increase will have for nursing home construction on the local community.

**HON. MR. TAYLOR:** — Well certainly I had been aware of the concern at Duck Lake. As I said, they fall into the new funding formula because they were not one previously approved. They have written to me regarding this. I've instructed my deputy to have some discussion with Duck Lake. As to what will come out of the discussions, at this time I couldn't say.

**MR. LINGENFELTER:** — Supplementary, Mr. Speaker. I would like to quote to the minister who seems to think that these are not great problems and that nursing homes are going to be built even though he has increased the funding formula for the local community by 100 per cent and, in fact, cut back the provincial funding from 5 million to 4 million in this year's budget.

Mr. Speaker, I would like to just quote from the local community of Gravelbourg, when they say:

It has been brought to the council's attention that the new policy of our provincial government calls for the local contribution of 15 per cent for new nursing home construction, rather than 8. This could effectively lead to the complete destroyal of the community's plans for providing a much needed 75-bed nursing home.

Now, Mr. Minister, this is what the local communities are saying in a number of communities — that projects that you have announced are now being unannounced because you're forcing the local communities to increase their funding by 100 per cent.

I wonder if now you will back off on this unreasonable position of increasing the responsibility by 100 per cent and reducing yours to 50 per cent of what it was.

**HON. MR. TAYLOR:** — Mr. Speaker, I listened with amusement to the member opposite who talks about unjust policies for nursing home construction. I've never heard anything more ironic in my seven years in this House than it was what I'm hearing today from a member who, when he was the minister in charge of the same portfolio, built zero.

**SOME HON. MEMBERS:** Hear, Hear!

**HON. MR. TAYLOR:** — And he has the gall, the gall to stand in this House today and complain, and complain about . . .

**MR. SPEAKER:** — Order, please.

**MR. LINGENFELTER:** — Supplement to the minister. I would like you to confirm the untrue statement that you made. I would like you to confirm the falsehood that you led the House and the press and the people of this province to . . .

**MR. SPEAKER:** — Order. The type of language that the member is using is not permitted in this House, and I would ask him to withdraw those words.

**MR. LINGENFELTER:** — I will withdraw the words and ask the minister whether or not he can reiterate that there were no nursing homes built while I was minister of Social Services, which I'm sure he realizes is far from being the truth in the matter.

**HON. MR. TAYLOR:** — Well, Mr. Speaker, I think it's well-known, and I'll say it once more for you and for the members of this Assembly, the press gallery, and the people of Saskatchewan: that the government opposite, when they were government in this province, placed a

moratorium on the construction of nursing beds in the province of Saskatchewan.

In fact, I have the letter right here.

**AN HON. MEMBER:** — Read it, read it.

**HON. MR. TAYLOR:** — Well I don't think we'll take the time of the House to read the total letter, but we have the letter here that says there's a moratorium on construction.

We have brought in a program — a program of 1,500 beds in the province of Saskatchewan. In fact, it's in excess of 1,500 beds, which I believe is greater than any other construction program by any other government in the Dominion of Canada, because we are addressing a need that was neglected, totally neglected, by the opposition, the NDP, when they were the government of this province.

Now, we've put in a funding formula which has the local communities contribute more because, as I told you previously, many communities said, we understand that there's a great need and we're willing to help out. And I'm sure in the case of Duck Lake we will work those things out. And there will be a brand-new nursing home in Duck Lake.

But let me explain the other side of the coin, because these people are great at showing only one side of the picture to their supposedly political advantage. We have also looked at renovating and upgrading existing facilities, Mr. Speaker, which make eminent sense to me.

The old formula under the government opposite, when they were the government, was 80 per cent that the community had to come up with. Really it was a deterrent to renovating. We look at cost-efficient ways, and we've changed that formula to where the local community only has to come up with 50 per cent. And, Mr. Speaker, those are cost effective ways of providing more types of feasible accommodation for the senior citizens of our province who, I believe, deserve them.

**SOME HON. MEMBERS:** Hear, Hear!

#### **Sheldon-Williams Safe Grad**

**HON. MR. BLAKENEY:** — Mr. Speaker, I'd like to direct a question to the Minister of Justice, and this concerns the examination he was doing some time ago into the Sheldon-Williams Safe Grad event, and I ask you whether or not you have completed your investigation and are in a position to report.

**HON. MR. LANE:** — No, I've just received reports very, very recently from both the RCM Police and the department, and we have made no final decision on a course of action yet.

**HON. MR. BLAKENEY:** — Mr. Minister, can you indicate when you are likely to have a final report?

**HON. MR. LANE:** — No, I cannot. We are also discussing the matter with the Safe Grad, the provincial Safe Grad committee, as to a general course of action and a specific course of action with regard to Sheldon-Williams.

#### **Dominion Bridge Lay-offs**

**HON. MR. BLAKENEY:** — Mr. Speaker, I direct a question to the minister in charge of jobs which I take to be the Minister of Justice, on the assumption that there is such a person.

My question concerns the Dominion Bridge plant in Regina, and whether the minister is aware

that lay-off notices for all the employees of Dominion bridge have been sent out, and whether or not he is in a position to take any steps to see that this substantial number of employees — a number which last fall was 100; it's now down to 28; all 28 have received notices — whether or not he's aware of this, and whether he has any proposals which might assist with this problem.

**HON. MR. LANE:** — I'll take notice of the question.

**HON. MR. BLAKENEY:** — Supplementary, Mr. Speaker. I am advised that there is a proposal that Dominion Bridge complete the iron work, or the structural, for the Meridian bridge . . .

**MR. SPEAKER:** — Order, order. Order. I'm going to caution the members that when I'm on my feet there's to be order in this Chamber, and that's from both sides of the House.

**HON. MR. BLAKENEY:** — I repeat, there is a report that there is an order for the steel work for the Meridian bridge, but the work will not start on it till the fall. My question to the minister is: will he look into this matter and discuss it with the Minister of Highways; see whether or not that work could be accelerated by two or three months and thereby avoid the lay-offs which are scheduled for July; and provide continuous employment for the people at Dominion Bridge.

**HON. MR. LANE:** — Yes.

### Operating Grants for Schools

**HON. MR. BLAKENEY:** — Mr. Speaker, I have a question to the Minister of Education. On April 22nd of this Assembly you promised to provide the opposition with a list of all operating grants for schools — April 22, Madam Minister. You said that it would be available as soon as the school boards had set their mill rates. It's obvious that this has long since happened. Will you indicate when you will provide the House with the information which you promised on April 22?

**HON. MRS. SMITH:** — Mr. Speaker, as I recall what had been promised, first of all, a commitment to send the information to the opposition, which, I believe, was sent down to you yesterday or the day before.

**HON. MR. BLAKENEY:** — Mr. Speaker, and Madam Minister, can you explain why you did not provide that to all hon. members, the information which, I think, was your undertaking? And secondly, would you indicate what has taken you between April 22 and, if you say so, yesterday — to provide information which was readily available from a computer-print-out on a 24-hour basis?

**HON. MRS. SMITH:** — Well, Mr. Speaker, I can only state for the Leader of the Opposition, once again, as was stated many times in estimates, that as soon as the information was compiled and, to a large degree, finalized, in terms of the changes in assessment, figures that boards had submitted, that type of thing, that we would get the information to the Leader of the Opposition, or to my critic, the member from Quill Lake.

As I recall, the promise that the Leader of the Opposition so begged out of me was: will you provide it before this House is finished sitting? He has the information. Now he wants further promises. If he has some difficulty with the information that was given him, then I wish he would state.

**HON. MR. BLAKENEY:** — Supplementary, Mr. Speaker. I want to assure the minister that I don't want any more of her promises; I put a rather low value on them. What I was looking for was the information, and I asked you why it took you seven weeks to compile information which was readily available in 24 hours. Would you care to answer that question?

**HON. MRS. SMITH:** — Well firstly, Mr. Speaker, it was not readily available within 24 hours,



particularly at the time that the Leader of the Opposition was asking for it. AS to the length of time that the information come in, does the Leader of the Opposition admit that he now has the information long before the House is finished sitting? And that was the promise that was given.

### INTRODUCTION OF GUESTS

**MR. PARKER:** — Thank you, Mr. Speaker. It's a pleasure for me to introduce to you, and to the members of the Assembly, a group of 20 grade three students from Lindale Elementary School in Moose Jaw. The students were arriving just at the conclusion of the introduction of guests.

These students are accompanied today by their teacher, Erna Adamache, and also the chaperons, Mrs. Mountenay, Mrs. Hilling, Mrs. Atkinson, and Mrs. Wells. I understand that they will be going on a tour of the legislature immediately following question period.

I'll be meeting with the group for pictures and refreshments at 11 o'clock. I hope you find you stay very interesting and enjoyable in Regina, and hope you have a safe trip back to Moose Jaw. And I'd like to ask all members to join with me in welcoming them here today.

**HON. MEMBERS:** Hear, Hear!

### ANNOUNCEMENT

#### Retirement of Sergeant-at Arms

**HON. MR. BERNTSON:** — Mr. Speaker, I ask leave of the Assembly to move a motion, seconded by the Leader of the Opposition, with respect to the retirement of our Sergeant-at Arms.

Mr. Speaker, at the end of a few brief remarks, I will move that motion.

On behalf of the Government of Saskatchewan, it gives me great pleasure to extend best wishes to Mr. Linton MacDonald as he retires from the position of Sergeant-at-Arms from the Saskatchewan Legislative Assembly.

Mr. MacDonald has served the government, and the people of his native province, faithfully since assuming the duties of Sergeant-at-Arms in 1981. He has helped to preserve order and decorum, which are an inherent part of the legislative process in Saskatchewan. The years he has spent serving his fellow citizens are an accomplishment to remember with pride.

Mr. Speaker, I therefore move, seconded by the Hon. Allan Blakeney:

That the members of this Assembly wish to record their deep appreciation for the distinguished and loyal service rendered by Mr. L. A. MacDonald to the Saskatchewan Legislative Assembly as Sergeant-at-Arms from 1981 to 1985.

**HON. MEMBERS:** Hear, Hear!

**HON. MR. BLAKENEY:** — Mr. Speaker, I'd just like to add my words of congratulation and appreciation to those expressed by the Deputy Premier.

Mr. MacDonald, as the Deputy Premier has indicated, has had a distinguished career. He served with distinction in the Canadian forces; he was for many years associated with the Royal Canadian Legion, and was known to ex-servicemen throughout this province in the thousands.

He accepted the appointment as the Sergeant-at-Arms in our House in 1981, continuing the long tradition of having the Sergeant-at-Arms someone who has been associated with the Canadian

forces. I think it's probably the invariable tradition, but it certainly goes back 40 or 50 years, and perhaps more. And he served in the capacity of Sergeant-at-Arms in a creditable, indeed, a distinguished way.

We all owe him our appreciation. We don't always call to mind the services rendered to us by the staff of the Legislative Assembly, and in this case by the Sergeant-at-Arms and all the people who report to him. We take as part of the furniture, but if it stopped being rendered, we would soon know about it. And it has not stopped being rendered; in fact, it has been rendered in an exemplary way, and we wish to express our appreciation to the Sergeant-at-Arms and to extend our very best wishes for a retirement which will give him a great deal of relaxation and enjoyment.

Thank you very much, Linton.

**HON. MEMBERS:** Hear, Hear!

Motion agreed to.

### **ORDERS OF THE DAY**

#### **MOTIONS FOR RETURNS (Not Debatable)**

##### **Return No. 698**

**AN HON. MEMBER:** — Debate.

##### **Return No. 699**

**AN HON. MEMBER:** — Debate.

### **GOVERNMENT ORDERS**

#### **COMMITTEE OF THE WHOLE**

##### **Bill No. 87 — An Act to amend The Saskatchewan Medical Care Insurance Act**

**MR. CHAIRMAN:** — Would the minister introduce his officials.

**HON. MR. TAYLOR:** — Yes, Mr. Speaker, I will. Seated to my left is Mr. Gerry Tegart, the legal advisor in my department. And to my right here is Michael Littlewood, administrative co-ordinator in the deputy minister's office. And behind me is Len Hamblin, director of administrative services branch of the Medical Care Insurance Commission.

#### **Clause 1**

**MR. LINGENFELTER:** — Mr. Minister, I would like you to basically outline for me the provision of the Act and the relative part of the Act that will allow doctors to work outside of the plan and the opting-out provision, as I understand it.

I would like you to give me a clear definition of what is meant by that. But what would be the procedure, and how would a doctor go through this performance of opting out of the Act under the Saskatoon Agreement II? And if you could just for me give me a broad outline of how that can occur if, in fact, a medical professional, a doctor, were interested in doing that.

**HON. MR. TAYLOR:** — The doctor, if he chooses to opt out, would simply file a notice indicating it was his desire to opt out of the plan. And then he would be out of the plan and his

services would not be insured. Then if he decided at some time to come back into the plan, he would indicate that it was his desire to come back into the plan.

I should point out, in the implementation of the total agreement, Saskatoon Agreement II, and the implementation of the legislation, we have a steering committee, so to say, that will be monitoring many of these things because of course we — as it says in the agreement, they can opt out as it does not affect access.

So there is an implementation committee that will be continuing on the same type of joint and co-operative endeavour that took place in the drafting of this, and I should say in the drafting of the Bill also.

**MR. LINGENFELTER:** — Under this issue of the opting-out clause, then a doctor can come back in and go out again as often . . . There's no limitation or no final opting out or opting in to the plan? It would seem to me that there may be some sense to having some type of a limit. I'm not suggesting how many times, or whatever, but it would seem to me that somewhere in the Act or in the regulation that would be dealt with — not that I see it as becoming a problem, but in the event that it did, is there nay limitation on opting in or out of the program?

**HON. MR. TAYLOR:** — No, there isn't a legal one. What we're looking at is more of a practical aspect. Certainly we wouldn't want to see someone in — let's take it to its most ridiculous extreme — in one week and out the next week. We certainly wouldn't want to be seeing that type of a situation. There is no legal section that says that there's a number of times you can do it, although, as I said earlier, we do have an implementation committee and a monitoring committee jointly agreed to by the SMA and the Department of Health. So I think practicality would dictate.

Why we put in the agreement and in the legislation that a doctor could opt back in was that we didn't want to bar someone from practice if they had chose to opt out for some time and the practical applications were that their practice deteriorated because of the patients being de-insured. Therefore we didn't want to drive that person out of the province. We would allow him to opt back in.

But certainly we would be watching closely if there was, shall we say, opting in and out on a repetitive basis. I don't think that will happen. But we did not put any type of regulation or anything of that nature in the Act.

(1045)

**MR. LINGENFELTER:** — Mr. Minister, there's one other area, and I don't intend to spend a long time in committee on this, but there's one other, and that is on the fees that doctors pay to the association to which they belong. What is the charge that has occurred here?

Can you outline the change that has occurred form the previous Act — mandatory deductions, that sort of thing? And I would like you to explain to me why the change, if there is one, and whether or not that was done in consultation, whether there were any meetings held with doctors, practising doctors, or what kind of consultation went on when that change was made.

**HON. MR. TAYLOR:** — I'm informed that we took section 51 out of the previous Act and pulled that out, and we're going to put that in regulations, which would be making it more and more flexible.

You asked about consultation. Basically the consultation has taken place with SMA representatives as did the complete Saskatoon Agreement and the drafting of the legislation.

But if you're asking: did we have consultation with all the doctors at large in Saskatchewan on

this, I'd have to say no we didn't.

**MR. LINGENFELTER:** — The other part of the Saskatoon Agreement II which I would like to ask you about, and it is directly relevant to the passage of this Bill, or the agreement that was signed, and that is the increase in fees for doctors in the coming year. Can you give an indication what the average general practitioner will be receiving in the coming year?

**HON. MR. TAYLOR:** — In the '84-85 annual report it puts the — you asked the general practitioners — at \$125,000; and you asked for the increase for this year above that; it would be a 1.2 per cent increase on that.

**MR. LINGENFELTER:** — What I would like as well, is a list of all the different areas of speciality. Have you got such a list? Would it be a general increase or can you read out for me the increases that would occur in the various areas?

**HON. MR. TAYLOR:** — I have the general category for specialists here. It's \$172,500. We don't have a specific list here by various specialists. If you wanted that, we could probably provide it for you, but it would have to be on my word if we pass the Bill today. I don't have it with me at this point in time.

**MR. LINGENFELTER:** — If you would for me, let's say within the next week if you could get me that information with all the specific areas that are listed in MCIC in your report. That would satisfy what I need, but I would like it broken down by speciality — the increases that have taken place as a result of the agreement.

**HON. MR. TAYLOR:** — I don't think there's any problem giving you that list. I'll make a commitment to get it to you in the week. But for your information, at this point in time my officials tell me that the only additional amount that was injected into this year's settlement was for the radiologists and pathologists. The rest of them would be at the 1.2 per cent, but there was an additional amount for the radiologists and pathologists.

But I think, if it's acceptable with you, that we will provide you with that within a week.

**MR. LINGENFELTER:** — I wonder, can you give me that number for those two groups you mentioned who would be getting an increase of more than 1.2 per cent? What was their increase?

**HON. MR. TAYLOR:** — We'll include that when I send you the other information. I can give you the ball-park figure now which is \$100,000 — that's for radiologists and pathologists.

What that breaks down to into percentage, I do not have; and secondly, I don't know how many of those there are. But we will provide you with that. Is that acceptable?

**MR. LINGENFELTER:** — The other thing I would ask the minister if he could give an explanation of why they were given extra. It would seem to me in watching over the last couple of years, your increases and calculating out the radiologists and pathologists, the amounts that they get, it would seem to me that many of those individuals . . . People would assume that they're earning enough, and why would you sort them out as people who would deserve to have a bigger increase?

**HON. MR. TAYLOR:** — I'm informed, as I think you understand, how the pay-out to the various specialities and family practices and the procedures is done through consultation with the MCIC.

I'm advised that basically the reason for the additional injection of dollars into the radiologists and pathologists was on the advice of the consultation committee and basically, I guess, related to supply.

**HON. MR. BLAKENEY:** — Mr. Chairman, and Mr. Minister, I want to be clear on the structure of payment which will exist when this Bill is passed. And this has to do with the opting out.

Now people could always practise outside the medicare plan. As I understand it, that right to practise outside the medicare plan is preserved for any physician that wishes to practise outside the medicare plan, and the point I wanted to ask about is whether or not it is possible under the legislation . . . Let me back up a bit. It seems to me that the mechanism used is that a certificate is filed — paragraph 24(1) (d) allows for the filing of a notice, in the form prescribed by the commission, taking the physician outside the planned coverage.

What I am really asking is: does the minister think it is possible under this legislation for the commission to authorize a physician to be outside the plan with respect to some selection of patients, and inside the plan with respect to another selection of patients? It is clearly, I think, undesirable, as I view it at least, to have the physician in the position where he can pick and choose whether he is . . . whether this patient's outside and this patient's inside. It's very difficult for the patients.

On a reading of this, it struck me that it would seem easy for the commission to modify the form of declaration to allow a physician to participate or opt out of an individual patient basis. Now I hope I'm reading it wrongly, and I'm asking whether or not you believe that it's possible under the Act for a physician to practise outside for some patients, and inside for others, on a regular and sustained basis.

**HON. MR. TAYLOR:** — No, the intent certainly is that you're either all in or you're all out. It isn't a patient-by-patient. If you are a doctor, for example, and you decided to practise outside of the plan, then all of your patients, all of your services, are outside of the plan. There's no insurance for those, so it isn't patient-by-patient.

However, I should indicate to the member opposite that in the opting out, as I said to your seat-mate a few minutes ago, we are having an implementation committee. Basically it is an extension of the committee that brought this together, and opting out is allowable — however, subject to access. Subject to access, and there's agreement on that.

As you understand, if there's only one physician of a certain specialty and he decided to opt out, therefore access to that specialty was certainly prevented. We would be taking a very close look at that and, along with the SMA, encouraging that that opting out does not take place.

I hope that's answered your question. And as far as the certificate, MCIC, as we pointed out, will be putting together and controlling that so that it cannot be, and I concur with you, we cannot tolerate on a patient-by-patient.

**HON. MR. BLAKENEY:** — Thank you, Mr. Minister. I appreciate the comment of your last assurance. I suppose it's one thing if a dermatologist opts out; quite another if all the anaesthetists in town decide to opt out, because that does bring things to a grinding halt. And I take it from your comments that the latter situation . . . There's wording which perhaps doesn't solve the problem, but identifies the problem and indicates that action might be taken on behalf of the minister to deal with the problem.

**HON. MR. TAYLOR:** — I should point out that this is, you know, fairly discussed in the drafting of this, and yes, I may support this type of situation that we've pointed here. You indicated, you know, let's take a hypothetical, all the anaesthetists or so on. If they decide to opt out — and certainly that would grind things to a halt — I believe that there would certainly be action, but that action, it would be in consultation. The SMA have given me the assurance that they are concerned about access also.

**HON. MR. BLAKENEY:** — One further short line of questions, Mr. Minister, and that deals with the financing of the SMA, what I might call the Rand formula that built into the Act. Have you had any representations from any significant number of physicians taking objection to the check-off from their payments under the MCIC to finance SMA?

**HON. MR. TAYLOR:** — You asked had I representation pertaining to a check-off. Basically I can't recall a letter specifically on that, on that extent. I've had some letters, as you may well understand, not totally in agreement with banning extra billing. There have been some letters of that nature, but as far as the check-off, no. Regarding the . . . it isn't really a Rand formula. What we've made provision in there for the check-off, but we haven't nailed down at this point in time, and we won't be doing that without consultation with the doctors.

(1100)

There is no intent to say that you must pay this much, or so on; and as you know — and I wouldn't have to explain to you because you are well aware that there are doctors who are members of the SMA, and there's doctors who are not. So there is a provision in there, but it will only take place after a complete consultation with them, and they support this, of course.

**HON. MR. BLAKENEY:** — Well Mr. Chairman, and Mr. Minister, I'm not particularly quarrelling with that provision in its basic principle. I am saying that if it does get applied, then I think the same rules should apply there as apply under the many statutes administered by the Minister of labour, or the statutes which are administered by the Minister of labour, so that if a majority of doctors want to change their bargaining agent, they can say, don't check off for the SMA; check off for the doctor's union, or whatever. We shouldn't inscribe in the Act one bargaining unit and say that will last for all time.

But that's tomorrow's problem or next year's problem, and I don't want to particularly raise it now. But as a matter of principle it seems to me if we're saying we're going to tick off money and pay it to somebody who's going to bargain for the doctors, fair game. Then the doctors ought to have an opportunity to select their bargaining agent. And if they were asked now, I'm sure they'd select the SMA, and so I'm not quarrelling with that designation. It's the possibility of change in the future that I indicate.

**HON. MR. TAYLOR:** — I take the member's point, and certainly there is no hard and fast line at this point in time. As you say, it's a problem that will be solved as the Act is implemented and so on. But I don't see any hard and fast way of saying you have to go this way or you have to go that way. It will be done with consultation.

Clause 1 agreed to.

Clauses 2 and 3 agreed to.

#### **Clause 4**

**MR. CHAIRMAN:** — Proposed House amendment, moved by the Minister of Health:

That section 4 of the printed Bill: strike out section 4 of the printed Bill.

Clause 4 as amended agreed to.

#### **Clause 5**

**MR. CHAIRMAN:** — Proposed House amendment, moved by the Minister of Health:

That section 5 to 24 of the printed Bill: renumber sections 5 to 24 of the printed Bill as sections 4

to 23 respectively.

Clause 5 as amended agreed to.

Clauses 6 to 24 inclusive agreed to.

### **Clause 25**

**MR. CHAIRMAN:** — House amendment, moved by the Minister of Health:

That section 25 of the printed Bill: amend section 25 of the printed Bill, (a) by striking out “July” and substituting “August”; and (b) by renumbering it section 24.

Clause 25 as amended agreed to.

The committee agreed to report the Bill.

**MR. CHAIRMAN:** — I’d like to thank the minister and his officials.

### **Bill No. 79 — An Act to amend The Saskatchewan Telecommunications Act**

**MR. CHAIRMAN:** — Would the minister introduce his officials?

**HON. MR. LANE:** — I’d like to introduce Mr. John Meldrum, general counsel and corporate secretary.

### **Clause 1**

**MR. LINGENFELTER:** — One could ask a good number of questions about the philosophy of the Tory government in expanding the powers of Crown corporations of the minister, but I won’t go into that. The one very relevant issue here, and I can’t understand how it took you so long to pick it up, is in section 3 where Sask Tel is changed to having one space between Sask Tel, that most relevant part of the Bill. I don’t know how it took you this many years to catch that and correct that serious error in the Bill. But maybe the minister could explain how it took you three years to pick that up.

**HON. MR. LANE:** — It’s not a correction. The corporate logo and what not was changed last year, and this just reflects that.

**MR. LINGENFELTER:** — Can the minister indicate what cost there was to the taxpayers in changing that logo? And I have a hard time understanding what the problem was with it, but maybe you could elaborate on that.

**HON. MR. LANE:** — Well there was no problem. I will have to get you the information that came up in Crown corporations a year ago. And we’ll simply get that information for you.

You will note that it’s similar . . . the silver and blue is very much becoming internationally the colours of the telecommunications companies and it’s being accepted generally in those colour combinations.

Secondly, the only figure I do recall is that the officials advised me that they will save roughly \$500 per vehicle on the change. That came up in the Assembly again about a year ago, but I’ll have to go back now and get those figures if the hon. Member wants them.

**MR. LINGENFELTER:** — I won’t belabour the point, only to say that I do agree with you on the one thing, that the colour is possibly more attractive. There’d be those who would argue

whether or not that amount of money should have been spent on changing the colour of vehicles.

But I think there are many out there who would say that what is lacking on the colouring of the trucks, the grey and blue, is a pin-stripe of orange that would set them out a little clearer and they may be a bit more attractive. And I think an NDP government would probably look at putting a little more colour onto these trucks because they are not . . .

Right now they are, you know, clearly identified in the Tory blue as the highway signs are and other things that you're changing. And I'm not sure that the people of the province appreciate putting that kind of money into that kind of political advertising.

**HON. MR. LANE:** — Well as I indicated to you, the one figure that I do recall was the saving of \$500 per vehicle on the change. And secondly, the planning had gone in prior to the change in government, so it's not something that came at our instigation.

And finally, I am advised as well, because I received one letter on the question of visibility, and the officials advised me and my response to the individual was that whatever technical advice they had, that in daylight hours that the visibility of these vehicles is actually supposed to be enhanced. Now that's the only response. You and I could debate that for a long time. But the expert advice we had was that there should be an enhancement, and so that's all I can advise.

If the member is concerned, of course, about visibility, then I'm sure that's a change in NDP policy in now supporting the Lights on for Life program.

Clause 1 agreed to.

Clauses 2 to 6 inclusive agreed to.

The committee agreed to report the Bill.

**Bill No. 111 — An Act to amend the Statute law to enable Urban, Rural and Northern Municipalities to Broadcast Radio and Television Signals**

**Clause 1**

**MR. LUSNEY:** — Mr. Minister, do you have . . . In this Bill here I noticed that fairly well all it's doing is allowing the northern municipalities to be able to provide telecommunications service — northern municipalities, urban municipalities and rural municipalities, also.

Mr. Minister, could you sort of explain what kind of service you propose they are going to be providing?

**HON. MR. LANE:** — If I may first introduce Mr. Doug Smith, associate deputy minister of Justice for communications.

The service that will be supplied will be basically CanCom, which will include the Canadian television channels of BCTV, ITV, CHCH, and the French package TCTV, and the U.S. channels of NBC, CBC, PBS, and ABC.

**MR. LUSNEY:** — Have you been in touch with the R.M.s, Mr. Minister, to discuss this with them? And are they proposing this or who is really making the proposal to have this service go into the R.M.s so that they can provide it?

**HON. MR. LANE:** — This is an initiative of the Government of Saskatchewan. We made a commitment to try and get television service enhanced and improved to rural Saskatchewan.



We've been lobbying for this now for three years.

The Minister of Communications, Mr. Masse, has agreed. We thought it was a reasonable proposal because the CRTC policy was changed, rural areas and smaller communities would never have access to the television programming that the larger centres have.

So it's a major change in national television policy for which we give credit to Mr. Masse. And we have been in touch with the municipalities to advise them the direction that we wanted to go. They are very pleased with it and the legislation, generally, as the member indicates, deals with northern, rural, and urban municipalities, and basically gives them power to perhaps set up the systems in the smaller communities.

It's just not feasible to use the cable operators. It's not economical. But if they can do it with volunteers, whatever system they wish, it will be up to them. They have the option. They may have a co-operative do it; they may delegate it to a business. The choice is up to the local government.

As well, we expect them to be able to do some rebroadcasting and that will depend on the type of system that they chose. Obviously the more expensive and bigger system will allow a rebroadcasting of these signals on a greater range. If I recall, I believe the maximum range is about 20 miles. But that will depend on how much they're prepared to spend, and it will be up to the local communities.

(1115)

**MR. LUSNEY:** — On a 20-mile maximum then, Mr. Minister, we're going to be looking basically at more populated areas that would be closely populated, not necessarily a rural area that would be wide and broad like in northern Saskatchewan where you may have miles and miles of area that aren't covered by any form of television coverage. This would basically look at small towns or hamlets where you're going to have enough people within a 20-mile radius, and that's I suppose a large type of system, that you're looking at the 20 miles. A smaller one would cover less.

**HON. MR. LANE:** — Well if all of the communities presently not served — and that's currently residents in 398, or 80 per cent of Saskatchewan's towns and villages, and 370 hamlets — were to pick up, or decided to proceed with the system, then the vast majority of farmers in Saskatchewan would be covered under that if all of them take up on it.

Clause 1 agreed to.

Clauses 2 to 5 inclusive agreed to.

The committee agreed to report the Bill.

### THIRD READINGS

#### **Bill No. 87 — An Act to amend The Saskatchewan Medical Care Insurance Act**

**HON. MR. LANE:** — I move the amendments the first and second time.

Motion agreed to.

**HON. MR. LANE:** — With leave now, Mr. Speaker.

Motion agreed to and Bill read a third time.

**Bill No. 79 — An Act to amend The Saskatchewan Telecommunications Act**

**HON. MR. LANE:** — I move that this Bill be read a third time and passed under its title.

Motion agreed to and Bill read a third time.

**Bill No. 111 — An Act to amend the Statute Law to enable Urban, Rural and Northern Municipalities to Broadcast Radio and Television Signals**

**HON. MR. LANE:** — I move that the Bill be read a third time and passed under its title.

Motion agreed to and Bill read a third time.

**SECOND READINGS**

**Bill No. 113 — An Act respecting Facilities that Provide Certain Residential Services**

**HON. MR. DIRKS:** — Thank you, Mr. Speaker. I'm pleased to advise the members that the intent of this particular legislation and of the Department of Social Services is to integrate its current legislation so as to have a single legislative base for all residential services provided to the department's clientele. This would include children, youth, battered women, young single mothers, and persons with mental and physical handicaps.

The proposed Act will consolidate the authority that currently exists in Health and Social Services legislation, to develop program and physical standards, to operate or to maintain or monitor facilities, as well as issue licences and certificates of approval for these residential services.

The new Act, Mr. Speaker, has the following principal features. Since many of the department's clientele require only short-term residential service before they resume a more independent living arrangement, the Act focuses on providing such services rather than the provision of continuing care.

More emphasis is being placed on the development of community facilities in order to maintain persons in their home communities. Updated definitions and terminology should facilitate the administration and interpretation of this legislation to the public, since powers and duties related to community residential services are more clearly specified.

The provision to enter into agreements with facility providers and private service homes will allow service providers to have a clear understanding of the terms and expectations for program delivery. A provision to grant a conditional licence or a conditional certificate of approval for up to six months will allow more time for a facility or a home to comply with the provisions of this Act. At the same time, the department will be able to responsibly monitor the service provided.

Lastly, I must emphasize that there is no intent to interfere with private arrangements between an individual and a private care provider. This Residential Services Act will improve the administration of residential services, and ensure that they are more responsive to a person's needs. This new Act underscores the government's continuing commitment to provide the very best services to the citizens of Saskatchewan.

And I would therefore move second reading of An Act respecting Facilities that provide Certain Residential Services.

**MR. LINGENFELTER:** — Mr. Speaker, Bill 113 which deals with, as you have mentioned, and the minister has talked about, facilities to provide certain residential services, and these would be the homes, as I understand it, over three residents — is, I believe a Bill that is needed, much overdue.

But I think in looking at the Bill there are many, many parts that are left out, and probably the minister will be telling us when we get into committee that this will be included in regulations.

What I would like to have seen is more substance to the Bill, more provisions put into it which would have made sure and ensured that handicapped people or seniors who are using these facilities would have had certain rights guaranteed in legislation as opposed to regulations, because he will be aware how that can be changed on the spur of the moment by a cabinet meeting, as we have seen in other areas.

But, Mr. Minister, what I have done with your Bill which was tabled in the Assembly this week is I've taken it out to a number of groups and I'm waiting for some feedback from them to see whether or not the legislation will deal with, in particular in the city of Regina and Saskatoon. And I think this is not only relevant to the cities, but is more particular to the cities of Saskatoon, Regina, Prince Albert, and Moose Jaw. Therefore, I'm waiting for some people — aldermen, and others — to get back to me on whether or not his will meet the needs that they have been raising, particularly at the city council level. And the debate has gone on, who should regulate these homes, whether it should be the cities or the provincial government.

This is the beginning. I have to say that I'm disappointed that it doesn't go as far as we would like to have seen in protecting individuals who use the facilities. But given that, I would like to adjourn the debate and await a reply from a number of people in the province, both users and providers, to see whether or not the Bill goes far enough and whether or not in a spirit of co-operation if they bring back ideas, we can in committee incorporate some of them, either I giving them to you and you introducing them — I don't think it matters which way it goes. But there are certain things I think the Bill is lacking.

I would therefore beg leave to adjourn the debate.

Debate adjourned.

## ADJOURNED DEBATES

### SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Lane that Bill No. 100 — **An Act to Facilitate the Enforcement of Maintenance Orders and to Establish the Maintenance Enforcement Office** be now read a second time.

Motion agreed to, Bill read a second time and referred to a committee of the whole at the next sitting.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Lane that Bill No. 109 — **An Act respecting the Consequential Amendments to Certain Acts resulting from the enactment of The Enforcement of Maintenance Orders Act** be now read a second time.

Motion agreed to, Bill read a second time and referred to a committee of the whole at the next sitting.

(1130)

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Embury that Bill No. 103 — **An Act to repeal Certain Acts respecting the Payment of Grants or Rebates of Property Taxes** be now read a second time.

**HON. MR. BLAKENEY:** — Mr. Speaker, I want to add some words with respect to this Bill. This

Bill is one more of the Bills which are supposedly part of tax reform, supposedly part of the government's plan of making our tax system fairer, simpler, and neutral economically, and all the other words which the Minister of Finance has applied. And as I've said with respect to other Bills, the problem is that the rhetoric, the language which he uses, is not reflected in any sense in the Bills which he introduces.

We have covered that ground, Mr. Speaker, at some length with respect to the education and health tax. We have covered that ground at some length with respect to the changes proposed for the income tax to introduce the flat tax, and, Mr. Speaker, also with respect to the introduction of a credit for senior citizens. The credit for senior citizens that's in The Income Tax Act is designed, I take it, to replace what is being taken away by the Bill before us, at least in part.

The Bill before us has the effect of taking away the property tax rebates of home owners, farmers, small-business people, renters, senior citizens. There are five or six different operations which are now effective which will be removed, which will be done away with by this Act. The basic property improvement grants which provides, if my memory serves right, \$230 for home owners and \$250 for small-business people and approximately \$360, I believe, for farmers, that's all to be done away with. The renters' rebate which provides most renters \$150, that's to be done away with. The senior citizens' school tax rebate, that is to be done away with. And the home quarter rebate introduced with such fanfare last year, that's to be done away with.

These, Mr. Speaker, are very substantial sums of money which are not going to be paid out to Saskatchewan citizens — about \$100 million a year that has been going out to Saskatchewan citizens which is not going to be going out to Saskatchewan citizens because we're asked to pass this Bill.

Now that in itself would be a very serious matter. To raise taxes by \$100 million, that's \$100 per capita, is certainly a massive increase in taxes, and part of the most massive increase in taxes in the history of Saskatchewan. There can be no question that to withdraw a rebate like this is a tax increase.

And it is, Mr. Speaker, a particularly regressive form of tax increase. The money will have to be found to do the jobs which the government wishes to do. We all know that. There's no free lunch for government programs any more than for other programs. So we need to raise money, "we" meaning the Government of Saskatchewan, whoever may be on the treasury benches at any one time.

The test of a government is always: where does it raise the money? From whom does it seek to collect the money? To whom does it seek to confer the benefits? Well, Mr. Speaker, we're not now dealing with the second question I asked: to whom are the benefits being conferred? We are very much dealing with the first question: from whom is the money sought to be extracted? This Bill seeks to extract \$100 million overwhelmingly from home owners, farmers, small-business people, renters.

The amount of money to be extracted from major businesses is very little indeed, very little indeed. We are taking away money from people. And as I've said, Mr. Speaker, I compare my constituent with a major property taxpayer in Regina. And when I compare that and see what this Bill does, I think it's a very unfair Bill. And I think anyone who considers it would think it an unfair Bill.

Consider the fact that a small-business rebate will be lost, the business rebate will be lost, and as a result, the Southland Mall will lose \$250. Their school tax which is now \$259,692, in payment of which they got \$250, will in effect now be increased by \$250.

The home owner, on the other hand, whose net tax was not \$259,000, but perhaps \$600 for school purposes . . . And incidentally, Mr. Speaker, in case I did not make it clear, that \$259,000

for the Southland Mall was all school taxes. My constituent, a small householder, may pay \$500 in school taxes, and he is losing \$230. Note that, Mr. Speaker, we have a government which says, we are going to get money for education: we are going to get \$250 from the Southland Mall — assessed value, \$4,691,000; and we're going to get \$230 from a householder in my constituency — assessed value, \$5,000.

There's no question that the Southland Mall, and I picked that as an example, is many, many times better able to pay than my constituent. But that's not the view of the government. The government says, we're going to take that 250 from the Southland Mall, and we're going to take that 230 from the constituent who has a very modest income.

I could use the figures for the Northgate Mall. Their assessed value is over \$4.5 million as well, from which the government decides that they're going to get \$250. And they're going out to another of my constituents with an income of \$20,000 and saying, I want 230 from you. And I wonder how this could possibly be argued on the grounds of fairness.

The Toronto Dominion Bank building, and I use a down-town office building, has an assessed value of over \$2 million, a school tax of over \$125,000. They're also asked to give up \$250, while constituents of mine, constituents of other people all across this province, are asked to give up \$230. Where's the fairness in that? Where's the fairness?

Or to contrast that with a small-business person in my constituency who is losing \$250 because the small-business tax rebate is taken away; he is losing \$250. Because the government is being fair and equitable, they're taking 250 from him and 250 from the Southland Mall, 250 from the Northgate Mall, and 250 from the owners of the Toronto Dominion Bank Building. That is what this Bill does, and it is put forward by a minister who professes to believe in a more equitable tax system, a fairer one.

No possibility, Mr. Speaker, of anyone arguing in favour of this Bill on the basis of financial fairness. All manner of arguments are put forward for the Bill, but the hard facts are that it's taking about the same number of dollars from the smallest business man who owns his premises to the largest business in this province.

If you have a little machine shop and sell a few bearings to the Central Canada Potash at Colonsay, comfort yourself in the fact that, in the eyes of this government, you are able to pay your \$250 in the same way that Central Canada Potash at Colonsay is asked to pay its \$250. And that goes, Mr. Speaker, for anyone who has a little trucking company and owns a warehouse and got a rebate of \$250, does a little bit of trucking for Ipsco, and he finds that the government places his business in the same category as Ipsco, and he has to cough up \$250, and so does Ipsco have to cough up \$250.

In the view of this government, it is fair to take the same number of dollars from the richest home owner in Regina and from the poorest home owner in Regina. And strikes me as a remarkable judgement. I have on other occasions tried to illustrate just how this will work. We have a physician or . . .

Mr. Speaker, I'm asked to give way, and will do so if I may resume.

### INTRODUCTION OF GUESTS

**MR. MARTENS:** — Thank you, Mr. Speaker. It's an honour for me to introduce a class of grade 7, 8, and 9 young people from the town of Pennant, Saskatchewan. They're accompanied today by their teacher, Sandy Konkin, and parent, Mr. Schmalz. I'm happy to have them here. We've already had our refreshments.

I want to acknowledge their being here, but I also want to say that this is the town that had the

tornado go through it a couple of years ago, and they're slowly rebuilding, and they've also grown accustomed to the pump jacks pumping out in that country, because Fosterton is the beginning of the oil industry in the South-west, and they know all about that. So I'd like the Assembly to join with me in welcoming them here today.

**HON. MEMBERS:** Hear, Hear!

**HON. MR. BLAKENEY:** — Thank you, Mr. Speaker. I would join with the member for Morse in welcoming the students from that particular town. I well remember in the early '50s when that first oil strike came at Fosterton, and it was the strike which started Saskatchewan on its way as an oil producing province.

I remember the descriptions. I was new in Saskatchewan at the time — and I digress for a moment, Mr. Speaker — and it was described as near the town of Fosterton, which at that point did Fosterton full justice since there were, as I recall it, five or seven residents in the community at the time, depending upon . . . there was a storekeeper and an elevator keeper. And I was amused to note the description of this as a town in the public press.

But none the less, I'm sure the community has grown, and certainly the oil production has grown, and we all welcome that development in Fosterton, and welcome the students here today.

## ADJOURNED DEBATES

### SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Embury that Bill No. 103 — **An Act to repeal Certain Acts respecting the Payment of Grants or Rebates of Property Taxes** be now read a second time.

**HON. MR. BLAKENEY:** — Mr. Speaker, I was attempting to say that the nature of this Bill is one which, in effect, applies a tax by removing a benefit, and it applies the same tax to a householder in Regina, regardless of his income.

And I could perhaps illustrate this by saying that one could go into a hospital and find there a chief surgeon who may enjoy a very handsome income, perhaps \$200,000 a year; we might find there a person who works in a senior position in the accounting department who would make \$50,000 a year; and we may find some people, let us say in the dietary department, who are operating on relatively modest incomes of perhaps \$20,000 a year — all owning homes, all receiving \$230 a year as a property improvement grant, and now all asked to pay to the government \$230 by way of waiving their grant.

(1145)

That is a very, very strange description of equity. The person with the modest income of \$20,000, please pay \$230. The person with the middle income of \$40,000, pay \$230. The person with the high income of \$200,000 a year, please pay \$230. That is what it does for householders.

I can illustrate the same, and was attempting to do so with respect to small-business people. However modest the business, if you pay school tax, you are asked to pay your \$250 along with Ipsco, which is asked to pay its \$250; Kalium Chemicals which is asked to pay its \$250. The belief is that somehow that is fair. Surely, Mr. Speaker, merely to state that proposition is to refute it. There can be no fairness in that.

Now, Mr. Minister, with respect to renters, the situation is the same. All renters are being asked to forego their \$150, whether they rent modest premises at \$250 a month, or rent a penthouse at \$2,500 a month. They are all asked to make the same contribution of \$150.

Turning now to farmers, the situation is even more remarkable. Mr. Minister, it was only last year that there was introduced into this House the home quarter school tax rebate, and, Mr. Minister, it was introduced by members opposite, and commended by members opposite, as a substantial tax cut — I invite any of them to look at either the press clippings of the *Hansard* put forward as a substantial tax cut. And when they take it away this year, it's a substantial tax increase. You cannot obviously say, I give you this money and it's a tax cut, and I take it back, but I'm not increasing your taxes — that won't do.

It was a tax cut last year. They said it very clearly, very openly, and very correctly. And it's a tax increase this year, and I wish they would say it equally very clearly, very openly, and very correctly. But I don't hear that. I don't hear them even acknowledge that it's a tax increase.

Mr. Speaker, to use my analogy of Kalium Chemicals again, here we have a major industry, a profitable industry, and beside it were some farms. Beside it are some farms. If members opposite don't like the analogy of Kalium Chemicals, we could use another analogy: we can use Central Canada Potash, or Co-op, or any of the others. That's not, perhaps, a bad example, the Co-op Refinery. And there are farms close by to the Co-op Refinery. But we'll use any industrial enterprise you wish of a major size. Beside many of them are farms. The farmer used to get a property improvement grant of \$350 or so. He used to get a home quarter tax rebate or probably \$300. So you are taking away from him 650 or \$700 because you need some money. From the Co-op Refinery you are taking away \$250.

Now, Mr. Speaker, given that government need money, how can it be argued that the fair way to get the money is to take \$250 from Kalium or Cenco Canada Potash and 650 or \$700 from the farmer beside that industry? How can that possibly be justified? And yet this is what this bill does. It does it blatantly, and it does it without apology.

If you want to extract money from people, I suppose you don't need to apologize, but you shouldn't garnish it with conversation about tax reform. You shouldn't intermix it with statements to the effect that you are going to take money away from the rich and give to the less wealthy. And we have had that type of statement over and over again from the Premier and the Minister of Finance.

And we are not in any way hearing how that is related to this Bill; how the proposal that takes \$700 from a farmer and \$250 from Kalium Chemicals is taking away from the wealthy and giving to the poor is a little hard to square with the facts. But that is what this Bill does, Mr. Speaker.

I know that in Regina there has been no decrease in the school mill rates, so that I and my neighbours — I support the public school system; my neighbour supports the separate school system — we are all paying the same taxes we paid last year, and we are all losing the \$230. I happen to make more money than my neighbour, and I think it's unfair that he has to pony up the \$230 and I'm only asked to pony up \$230.

It would be far fairer, far fairer, if this money was raised through income taxes. Mr. Speaker, I believe that it would be much fairer to raise the taxes by income taxes or some other tax which is based upon ability to pay. No one, Mr. Speaker, can argue that withdrawing \$230 from every householder in this province is to tax on the basis of ability to pay. It patently is not. It patently harms, hurts, indeed savages people at the bottom end of the income scale . . . and up, really is only a minor inconvenience to people of high incomes. Surely that cannot be defended. And that is the situation.

It is generally acknowledged to be the reason for the substantial increase in net property taxes across this province this year, net of property improvement grants. You can hardly find a soul in this province who is not paying on a net basis substantially more in property taxes this year than

they were last if they're an ordinary householder. If they're a big industry, I suspect they may be. If you're up in Saskatchewan Valley School Division and enjoyed a 2 or 3 per cent cut in mill rates . . .

**AN HON. MEMBER:** — Ten.

**HON. MR. BLAKENEY:** — The member says 10. Well just imagine if you had a large industry in Saskatchewan Valley. Just imagine if you had one of these industries of which I speak in Saskatchewan Valley. What an increase in taxes it would be for a small householder who pays less school tax because he's had a mill rate cut, but loses his \$230, and see what a tax decrease it would be for the big industries which sees its tax mill go down by 10 mills. There aren't many — certainly didn't happen in Regina. So far as Regina was concerned, the Ipsco . . . well, not Ipsco because it's outside Regina, but I'll use Southland Mall or Northgate Mall — pay virtually the same tax as they did in 1984 on a net basis, and every householder paid quite a bit more on a net basis.

Now it is not only I, Mr. Speaker, who are saying that the provincial government cuts are blamed for higher property taxes. It is aldermen in the city of Regina. They are talking, not only about cuts in the property improvement grants, but cuts in other taxes which we're not now debating. But the effect is very, very clear.

I won't belabour this more, Mr. Speaker, but the effect of this Bill is to increase taxes. And all members opposite will agree with that because last year when they put the home quarter rebate on they said it was a decrease in taxes, and I know they won't . . . not even they, not even they can say that when they give a rebate it's a decrease in taxes, and when they take it away it's not an increase. Not even they can manage that bit of logic. So we know that that tax increase impacts much more heavily on people with lower incomes. We know that it's absolutely trivial with respect to large taxpayers.

Again, giving my example, the Southland Mall. If you are paying in school taxes \$259,600, if you're paying in all property taxes over \$0.5 million, you're not losing much sleep about losing \$250 in a rebate. But if you were paying \$500 in property taxes, \$1,000 in taxes all in, and you lose \$230, you are losing some sleep because your taxes have gone up, in effect, of 25 per cent. And that's what happened.

And Mr. Speaker, we will have opportunities in committee to pursue individual instances of just why this is so patently unfair, but it will be clear, Mr. Speaker, from what I have said, that nobody can support this Bill who believes in tax reform. Nobody can support this Bill if he stands in his place and says, I believe that taxes should be raised from the rich and benefits given to the poor. Nobody can say that and support this Bill. Nobody who has any degree of consistency. I will use that word. I was going to use another word, but I will say consistency.

That, Mr. Speaker, is the hard facts. I happen to believe in the tax reform which is talked about. I happen to believe we need a better tax system in Canada — which I'm not debating — and here in Saskatchewan. And that is why property improvement grants were a good idea, are a good idea, because they redistribute income in favour of lower-income people. That is why they are part of any effective tax reform, and that is why their removal is a retrograde step, one away from tax reform; a step which clearly relieves wealthy of a burden and imposes a burden on the less wealthy.

No one has argued for tax reform can take any other position. I have argued for tax reform and done a good deal more than argue for it, done a good deal more than argue for it. And we have in Saskatchewan, or had in Saskatchewan, the most progressive tax system, using the term in its classic sense of meaning that people with low incomes pay the least tax and high incomes pay the most tax, the most progressive tax system in Canada, I believe.



We are now rapidly back-peddalling. One look at the Minister of Finance's budget address will underline that. I invite hon. members to look at that budget address, to look at the tables in the back, to look at the fact that one time if you had an income of \$15,000 a year you paid the least tax in Canada. We are now paying more tax than in Alberta, more tax than in Manitoba, and we are number three. We are fast losing our place as a province which has a progressive tax system — one which is advocated by members opposite, one which meets their standards of tax reform, one which takes from the rich and doesn't take from the poor. That was what we had.

(1200)

Again, Mr. Speaker, you don't need to take my word for it. Just look at the Minister of Finance's, the hon. member for Kindersley's budget address over the last three or four years and the tables in the back, and you will see that we have steadily lost ground. We're steadily moving the tax burden onto the backs of individuals and those less willing to pay.

I don't need at this point to say that it's clearly indicated that the federal government is moving in the same direction. We would expect, I think, that Conservatives who believe that lower-income people should be made pay, and wealthy people need incentives — and that is what the people of Saskatchewan want; we know that it's aimed to benefit the top 10 per cent in our society; and we know just as clearly that it is retrograde and totally inconsistent with any arguments for tax reform.

We will, Mr. Speaker, have many opportunities to explore individual cases in committee. I believe from my remarks you will know that I am not supporting this Bill. I will be looking with a good deal of interest on whether or not those who profess to believe in tax reform which involves appropriate taxes on the rich, and less onerous taxes on the less rich.

Mr. Speaker, I will be opposing the bill.

**SOME HON. MEMBERS:** Hear, Hear!

**MR. THOMPSON:** — Thank you, Mr. Speaker. I'd like to say a few words today also on Bill 103 and express to you, Mr. Speaker, and through you, my concerns regarding the removal of the home owner's grant.

I want to say that this program has been a very popular program in the province. I now see that the government is turning around and are going to reinstate for one year the home owner's grant to senior citizens. I would suggest that the only reason they're doing that is because of the heat that they got from senior citizens' groups and from the opposition in this House.

Most certainly they've reinstated it for one year, but it has created a great cloud over top of senior citizens. I know many senior citizens that I had talked to, when they found out that the home owner's rebate program was being cut, they were quite concerned. Because it meant a lot to senior citizens and low-income families in this province who, every year, knew that when they paid their taxes that they would be getting a rebate.

Some of them, home owners, would be receiving a rebate of \$230. Renters knew that when they paid their taxes they would be getting a rebate cheque of \$150. Small businesses would be getting \$250; farmers \$375 a year, and the home quarter, \$300 a year. And seniors — it averaged out that the seniors' rebate would be in the neighbourhood of \$510 a year.

And to seniors and low-income families that meant a lot, Mr. Speaker. It meant certain things that they would be able to do with their home in summer. It meant they could buy some paint

and repaint the house inside and out. It meant that if they were going to go on a trip that there was extra commodities or something extra that they could purchase while they were on their trip. And they all counted on that.

I want to say that the senior citizens I found were the ones that were really disappointed. And now when you create that fear and that cloud over top of their head, and then you say well, we're going to reinstate it for one year, Mr. Speaker, and for one year you're going to reinstate it, so then the senior citizens, they're starting to wonder. First of all they took it off, and now they're going to reinstate it for one year. And I wonder why. I wonder why they would be wanting to reinstate a program like that for only one year.

I gave a couple of reasons: the pressures from the seniors; the pressure from the opposition. And I would suggest that maybe there just might be a provincial election coming in September or October, this fall. Maybe they're trying to convince the senior citizens that the Conservatives are really not that bad, you know. They take it away in April, and then in June they're going to give it back to us, but only for one year.

And I say to the other program with the farmers, you implemented the home owner quarter rebate last year — had it on for only one year. And the farmers were happy. They got that rebate for one year. And then you have a budget in April the 10th, and what do you do? You take it off. And I'm sure that the farmers did not expect that. I'm sure that they expected again this year to be receiving the home owners' grant on their home quarter, but it's gone.

And I say that, you know, you're getting the electorate out in voter land quite confused. And you're going to find that out. I say to the members of the Conservative government: they're going to find out when election time comes around that if you're going to continue on this route of adding on and taking off of taxes, then it gets quite confusing.

As you know, under our government, we didn't do that. We created the home owners' grant, and it was something that the home owners were pleased with and always looked forward to.

Not only is it a handicap, Mr. Speaker, to senior citizens and low-income citizens, but I want to say that it's a great handicap to a lot of my constituents up in northern Saskatchewan who always looked forward to paying their tax because they knew that if they paid their taxes as soon as they got their tax notices then they would be getting their rebate cheques.

And I say not only up in northern Saskatchewan, but I say, Mr. Speaker, all throughout this province. I don't know what incentive anybody is going to have now to really pay their taxes. You know, I'm sure that there are municipalities, urban and rural, who want their taxes paid because they have improvements and they want to use that money. But you don't have to pay it till fall. Well you're not going to get the rebate — well why pay it?

So you're going to see . . . And I really don't know, Mr. Speaker, what the home owners' rebate's got with closing down the mines, as the member from Prince Albert-Duck Lake is suggesting from his seat. If he wants . . . I know that he's going to get up . . . I know that the member from Prince Albert-Duck Lake is going to get up and speak because there are a lot of senior citizens who are saying out in Duck Lake and surrounding communities that they miss this home owners' grant and they appreciated it.

And I know that you'll be fighting in cabinet, Mr. Minister, to try and get this reinstated and convince your colleague, the Minister of Finance, that it was the wrong move. And I agree that you will be doing that.

But as I said, Mr. Speaker, it's hard on senior citizens and it's hard on middle-and low-income families, the fact that this tax is being taken off. And when you take a look at just what it means, the elimination of the property tax rebates, what it means to the folks out in Saskatchewan, the

taxpayers of this province . . .

To the farmers it means \$20 million that will not be in their pockets. And when times are hard enough, as it is right now with farmers, there's another \$20 million that will not be in their pockets, and not being spent around the province. On the home quarter to farmers, that's another \$16 million that's not going to get into circulation and help the small-business community, who thrive when farmers thrive, and individuals are working and are buying.

Renters, another \$8 million that they're not going to have to spend.

And senior citizens, as I indicated. And what does that really mean? It means \$20 million, Mr. Speaker, by taking off this grant. It's going to be \$20 million that the senior citizens are not going to spend at the local stores, not going to spend on holidays and cafes and whatever it is. It's \$20 million taken out of our economy.

Home owners, \$30 million.

The business community alone, which is going to suffer from all the above. You're taking \$6 million away from them which would go towards improvements of their businesses and the cash flow.

So I say to you, Mr. Speaker, and I say to the Minister of Finance that he should take a serious look at reinstating this program, not just to the senior citizens, but all across the board. And I say to you here today, Mr. Speaker, and to the Conservative government, that when the next election is called we most certainly — and I see no reason why we will not be forming the next government — but one of the things we will be doing is reinstating the property improvement grants.

And that, most certainly, is one of our planks. And I will make the announcement for the benefit of the member from Prince Albert-Duck Lake today. We will be reinstating that.

So, Mr. Speaker, having said that, I want to urge, through you, to the Minister of Finance to reconsider this program. It's a program that is detrimental to all of Saskatchewan, and most certainly a beneficial program. And I'd ask him to reconsider that. Thank you very much.

**MR. LUSNEY:** — Thank you, Mr. Speaker. I'd like to make a few comments on this Bill, Mr. Speaker, Bill 103 to repeal the property improvement grant.

Mr. Speaker, I think we'd have to say that this certainly is an unfair tax Bill because what it does is take away money that a lot of people expected would help them with some of the high taxes that they have in rural Saskatchewan and even in urban centres.

Mr. Minister, the other thing that this Bill does is really show that this government has betrayed the people of this province. All the promises that they have made in the last election to cut taxes . . . in fact, now what they are doing is saying that they are going to increase taxes rather than cut them, and I say that's a betrayal to the people of this province.

Mr. Speaker, a lot of the ministers are saying that the people don't mind losing their property improvement grant rebates. Well I don't know just who that is that they were talking to, whether they were out in the country, as they say they are always communicating with the people of Saskatchewan. And I don't know if they communicate with everyone in this province: the business people who lose their rebate; the farmers who lose their rebate; the home owners; the renters. If they communicated with all of those people, Mr. Speaker, I think they would have found that they were giving them a very clear message: that they were not prepared to lose that rebate, and that they would not be happy with the kind of Bill that we have before us today.

Mr. Speaker, this Bill was not opposed only by the people who had to pay the taxes, but it's also opposed by many of the local governments who have to collect those taxes.

**AN HON. MEMBER:** — Name one.

**MR. LUSNEY:** — The minister from Prince Albert-Duck Lake says, name one. Well, Mr. Speaker, if a person wanted to name some of the R.M.s, and one would have to go to a letter from SUMA — and the minister says name one — here's a letter from SUMA written to the Minister of Finance, and it says quite clearly:

We express disappointment at not being included as one of the partners for progress.

And this was what this government talked about, partners for progress to get this province moving ahead, and all of the things contained in their budget were supposed to be in consultation with all the local governments and the people of this province. Well, here's one that wasn't included. SUMA wasn't included, Mr. Minister, Mr. Speaker. And they go on to say, Mr. Speaker:

The property rebate system has been totally revamped, which is a direct impact on our property taxpayers.

(1215)

Well SUMA agrees that this is not a good Bill, that removing that tax rebate was not a good idea. And this is a lengthy letter that they wrote to the Minister of Finance, and this should have made it clear as to what the people of Saskatchewan think, what local governments of Saskatchewan think. Another paragraph here:

The property taxpayers are going to be severely burdened in our view this year by virtue of the fact that you have put on a 1 per cent flat tax on that income. You have removed the property tax rebate. You have increased our local tax burden by simply not providing any more funds through revenue sharing.

Well, Mr. Speaker, it says here in this letter that the urban municipalities, the local governments, do not agree with Bill 103 in removing the property tax rebate. And they say because it's going to affect the taxpayers of urban Saskatchewan, of rural Saskatchewan, it's going to affect local governments in providing the programs that they usually provide because now farmers, home owners are not going to be able to come up with the kind of money they need, and if they were able to scrape up enough to pay that tax, they're going to hold it off to the end of the year. They're going to hold off paying that tax as long as they could, to the end of December, and that's going to impose a burden on the local governments because they are going to have to borrow money to operate their towns, their rural municipalities, to provide the programs that they normally provide for their taxpayers.

That rebate, Mr. Speaker, was an incentive. It was an incentive for people to go in and pay their local taxes to their local governments so that their services could be provided by that local government. It was an incentive to get that money into local government, bringing down the cost of operating of local governments. Now the local governments are going to be forced with having to borrow money. That, Mr. Speaker, is what this Bill has created. It's going to be a costly Bill. It's going to be a costly Bill for all of Saskatchewan taxpayers.

And, Mr. Speaker, we go on if the Bill when they say that people don't mind losing that tax rebate, and not only local governments are concerned with it, but also concerned with it were senior citizens. And it didn't take this government long to realize that senior citizens were very unhappy with that Bill, Bill 103, to remove the property tax rebates. It didn't take them long to realize that senior citizens weren't happy. And when they realized that, they realized the political

ramifications of it, and it didn't take long at all because right after Bill 103 we see that was going to give them back that rebate for this year, for the one year. That, Mr. Minister, is what this government did. They reacted very quickly to those that voiced their opinion and voiced their objections to this tax rebate.

Mr. Speaker, I think what this government should be doing, if they went that far to bring it in for the senior citizens for the one year, I think they should look seriously at all the other people that are objecting: the urban municipalities, the rural municipalities, farmers, home owners, business people. They should listen to what all of those are saying, and remove this Bill from the order paper and say that they are not going to go ahead with it, that they will bring back the property tax rebates because this is a time when people could use some assistance and some help with their property taxes.

Local governments have been forced to increase their taxes and they continue to increase them not because they want to but because this government has cut back on some of the funding provided to local governments. Therefore the local governments if they are going to provide the programs have to increase taxes. Inflation itself dictates that they have to increase the mill rate, and this is what the local governments are doing. And this government goes and puts an additional burden on them by removing the property tax rebate.

Mr. Speaker, this rebate is going to cost a lot of money to farmers. It is going to cost the farmers money. An average farmer is going to lose anywhere from 6 to \$700 in his property tax rebate this year, using the home quarter rebate and the property improvement grant rebate. He's going to lose at least 6 to \$700 this year, the average farmer will.

Well, Mr. Speaker, they talk quite often about not wanting to rebate the rich, and one would have to look at who it is that they're talking about. Are they saying that the senior citizens are rich? Well I guess they're saying they aren't because they're rebating the tax to senior citizens. So I guess we have to agree that senior citizens aren't rich.

Are they saying that the senior renters are rich? Well I guess every senior that rents an apartment must be rich, Mr. Speaker. By this government's definition, certainly they must be rich because they are not going to give those people a rebate which they used to get before. So that must be one group that they consider to be rich.

Are they saying, Mr. Speaker, that farmers and home owners are rich? Well I guess they must be saying, again by their definition, that farmers and home owners and business people are all rich because they are not going to get that rebate and their taxes are certainly going up this year.

Mr. Speaker, are they saying that oil companies are rich? Well, Mr. Speaker, again by their definition, they are saying the oil companies and the large multinationals certainly are not rich because they have given them a tax holiday recently. They have given them a tax holiday.

But the farmers, the home owners, and small-business people are all considered by them to be rich because they get no rebates, no tax holiday whatsoever. They are virtually, by the removal of the property improvement grant, getting an increase in taxes. That's what is happening to rural Saskatchewan, to urban Saskatchewan, and to all the taxpayers of this province, except when you go to the large oil companies who very seldom pay taxes in this province and now they are getting tax holidays on royalties.

Mr. Speaker, one would have to look at all of the people that are complaining and what it's going to cost this government . . . or what it would have cost this government.

We look at what it cost them to give the oil companies a tax holiday. They're spending about \$300 million, Mr. Speaker, for the oil companies. But what did they do for rural Saskatchewan? What did they do for urban Saskatchewan? What did they do for the farmers, the business

people, the property taxpayers, which includes just about everyone — the teachers, the nurses, the ordinary workers of this province, the labourers? They are telling them that they don't have, and it's a small figure, maybe \$100 million in total to rebate them in their taxes. They have \$300 million for the oil companies, but they don't have \$100 million for the citizens, the hard-working, productive citizens of this province.

What are they doing? They are taking that money from those citizens to give it to the oil companies. That's where they're getting that money, Mr. Speaker. That \$100 million is all that they would have had to come up, but no, they don't do it. They go and give it to the oil companies. Well, Mr. Speaker, I think the people of Saskatchewan are going to remember that. They're going to remember that because every one of those individuals, the taxpayers of this province that have to go and pay their tax now and get no consideration from this government, get no help from them, are going to remember that this government removed that one little bit of assistance that they had to lower their property taxes.

And, Mr. Speaker, one would have to say that because this government has gone into a deficit position to the extent that they have where it's costing them well over the \$100 million for interest alone to pay to New York or to London — it's costing them well over \$100 million to pay the interest on the debt that they've accumulated over the last three years. They have decided that they are going to take that interest out of the taxpayers of this province. That's who's asked to pay that, the interest on that debt.

And it certainly isn't the fault of those taxpayers that this government got itself in that position. We can only put the blame on the government itself. There is no one else we can put the blame on. They have run this province into a deficit of over \$1 billion. And, Mr. Speaker, it's total mismanagement, incompetence on the part of this government that has created that deficit, and it's costing the taxpayers their property tax rebate because that's where they are getting the money to pay that interest on the debt that they've accumulated. They are asking the property taxpayers of this province to pay for it.

And I am sure that, come the next budget, they are going to have to find more money from the people of Saskatchewan to pay the oil companies, because they are certainly giving them an extended holiday. They are going to have to give them a little more money, and that means that they are going to have to get it out of the taxpayer again.

Mr. Speaker, taxpayers of this province certainly aren't going to appreciate this move of this Bill. I oppose this Bill. Local governments oppose this Bill. I know every taxpayer in this province opposes this bill, and there is no way that we are going to support this bill when it comes to the vote.

Thank you.

**SOME HON. MEMBERS:** Hear, Hear!

**MR. YEW:** — Thank you very much, Mr. Speaker. I just want to say a few words regarding bill 103, in reference to the property improvement grant program that has been repealed by the Tory government, or is being repealed by the Tory government today.

The Bill is in front of us for debate, and I want to say, Mr. Speaker, that I concur with the members that have gotten up and spoke against the repeal of this Bill. My colleagues — the member for Pelly, as well as the member for Athabasca, and the Leader of the Opposition — they raise some really sound arguments in terms of the reasons why this property improvement grant program should not be repealed, and the fact that they should be reinstated in this legislature.

But I want to point out, Mr. Speaker, that this Bill 103 that is being repealed — proposed to be repealed by the Conservative government of today — is just another example of their broken

promises. They promised to reduce taxes, and they campaigned hard of that promise back in 1982. But now we have being proposed in front of us one of the biggest tax increases in Saskatchewan history.

(1230)

Like my colleague before me, Mr. Speaker, I repeat: this is certainly a betrayal of that promise. It is certainly a promise made, but a promise broken by the Conservative government — by the Devine government.

Further to that, we had another income tax increase referred to as the flat tax — just another example of how they have broken their promises. And just yesterday we debated on bill 76, the tax on used vehicles. That is another . . .

**MR. SPEAKER:** — Order, please. The Bill that has been debated is not the subject that's before the Assembly, and I ask the member to stay on the subject.

**MR. YEW:** — And now, Mr. Speaker, we have in front of us the repealing of all those property tax relief programs which I say, Mr. Speaker, effectively increases the property tax to hundreds and thousands of Saskatchewan people in this province.

The Conservative government on that side of the House, Mr. Speaker, may say people don't mind losing their property . . . their provincial property tax relief programs. Mr. Speaker, I say, well if that's so, why did they jump so quickly to patch together their hasty and panicky one-time-only heritage property tax rebate for some senior citizens in the province, Bill 104?

Mr. Speaker, how can the government actually believe that people don't care about losing these rebates? How can the government say that people don't care, Mr. Speaker, about this underhanded but very effective PC tax increase? I'm referring to, Mr. Speaker, the property improvement grants that were available to Saskatchewan residents, available to home owners, renters, small businesses, and to senior citizens.

My colleagues before me pointed out today, effective after this Bill is passed in this legislature, that senior citizens will lose \$20 million annually. Home owners will lose up to \$30 million per year. Businesses apply the same — they will lose \$6 million a year. And renters, the renters themselves will lose in the neighbourhood of \$8 million per year.

And that, Mr. Speaker, affects people living in La Ronge. Every northern home owner will be losing \$230 per year. And every small business operator in La Ronge, Creighton, Cumberland House, Southend, Montreal Lake — you name it — will be losing in the neighbourhood of \$250 per year. Every renter in those communities, in the outlying, remote, northern communities, will be losing \$150 per year, which they had with the former administration and in previous years.

Senior citizens, effective in 1986, will be losing \$510 per year.

Mr. Speaker, that is money that actually belongs to low- and middle-income families and working people and people that are unemployed. That is taking money from the low- and middle-income bracket families and giving it to the rich.

Mr. Speaker, I defy any government member, cabinet minister, or back-bencher, to rise in this Assembly and say that his constituents don't care about property improvement grants, that his constituents actually are pleased by this new PC tax increase. And in particular, Mr. Speaker, I challenge any rural member to rise and to try to claim that his constituents are pleased by the double loss of the property tax rebate and the home quarter tax rebate.

Mr. Speaker, on the average, that's costing Saskatchewan farmers \$675 per year — not just this

year but year after year after year. And, Mr. Speaker, it's no wonder that the farmers and the people of this province are shaking their heads wondering and saying, Grant Devine's tax reform means a tax increase for me — heavier taxes and more taxes. They are saying, the people out there are saying, how can I believe what they say when I see what they do? The people, the senior citizens, the low-and middle-income groups, are saying those very things, Mr. Speaker.

They are saying as well, Mr. Speaker, perhaps there is so much more we can be. But, Mr. Speaker, how much more can we stand? And how much more can we lose under the Conservative government?

At a time when thousands of farmers, senior citizens, are not paying any income tax, for they have no income; at a time when their property taxes are going up, does the Devine government provide more property tax relief? No. All they do is increase the farmers' effective property tax bills. Mr. Speaker, that is taking away \$36 million a year from the farmers of Saskatchewan.

They may, Mr. Speaker, talk about rebating the rich. Well let's look at that for a second. Does this new heritage seniors' rebate plan to go to only low-income seniors, Mr. Speaker? No.

Mr. Speaker, do they believe that all senior citizen renters are rich? Well, that must be their view, for their property tax renters' rebate has gone. Do they believe that all farmers and home owners are rich, Mr. Speaker? That's got to be the view of the Conservative government, for the property tax relief is gone as well.

But do they believe that the oil companies, the big multinational oil companies, are rich? No. The Tories obviously believe that the oil companies are the poorest sector in our society. For it is to the oil companies that Devine is rebating \$300 million a year in tax and royalty holidays. That is what they're doing.

Socialism for the rich; nothing for the poor, the unemployed, and the people that are having a hard time making ends meet. That is what this Conservative government is doing, Mr. Speaker.

Compounded with that fact, Mr. Speaker, in terms of northern Saskatchewan, compounded with the lack of any economic development and jobs, we are now confronted with pay per Northerner every year, \$4,633 each from every man, woman and child, in interest payments on the budget, the deficit budget of this Conservative government. In interest payments alone on that one and a quarter-billion-dollar deficit we are paying \$139 million in interest. That is a tremendous burden, Mr. Speaker.

With regards to the issues raised here by my colleagues and the issues I have just outlined, Mr. Speaker, and the issues that are understood all too clearly by the senior citizens, the low-income and the middle-income residents of this province, the heavier tax increases imposed on us by the Conservative government, I have no other alternative, Mr. Speaker, but to reject bill 103 and state clearly, Mr. Speaker, and to the members opposite, that I will be in opposition of this Bill that is in front of us.

Thank you.

**SOME HON. MEMBERS:** Hear, Hear!

**MR. ENGEL:** — Thank you, Mr. Speaker. I rise in this debate today on bill 103 for several reasons.

I think that property improvement grants that were introduced way back in the days of the '60s, when it was first sent out, the first government that ever did one . . . I can remember when I got my first cheque of \$50, Mr. Speaker. And along with that cheque came a very flowery letter from Ross Thatcher, indicating how this was my dividend. This was my dividend from Saskatchewan finally moving into the resource sector and making money on resources.



Since that time, that first \$50 homeowner grant grew and improved to the time when it was taken out of the political arena. It was moved into an area where R.M.s in general, municipal councils, felt that it was an excellent tool for keeping the taxes down. It was a tool that the municipal councils counted on to equalize and stabilize their tax base.

Mr. Speaker, if did another thing. And I think this second area of the property improvement grant hasn't been discussed that much. But it was a very good instrument for getting the taxes in on time. The discounts help; people will get involved in discounts. And as the interest rates come down, I suppose the discount is in line to the tune where some people will borrow money to pay their taxes to get the discount.

But when it came to pay a 7, \$800, 1,000 or \$2,000 tax bill, it was worth, Mr. Speaker, borrowing the \$2,000 by farmers that felt that maybe before spring they would get enough money together to pay their taxes. It was worth borrowing the money to get the 675 or 680 or \$690 that we're talking about today.

And they need that money. When the cheque came back, usually they got it in time for Christmas. And it helped families — it helped families — and it was really a worthwhile thing.

When a government decides to take away that kind of money from the farm sector, there must be reasons for this callousness. There must be reasons for it. I think if the Minister of Finance talks about himself as being a smart administrator, an intelligent budget . . . and he came out with the most intelligent budget ever. And in that intelligent budget, they decided to take away more than \$600 a farmer — more than \$600 a farmer — on this one move alone.

The total costs will vary, but usually will run up to about \$1,000. They decided to take that \$1,000, Mr. Speaker, that we're talking about today, and what are they spending it on? Where are they using that \$1,000 that's coming from every farmer in Saskatchewan, \$12 million a year? For the largest self-serving cabinet in the world. And this Bill we're talking about today takes \$12 million from just the senior citizens, just from those people. In fact, asking that one group to support a bloated cabinet, I think is a mistake, Mr. Speaker.

(1245)

When I look at that cabinet, and I see ministers without portfolio and two and three executive assistants, spending home owner grants — spending that money with no callous, no shame at all, it makes me wonder what are we really accomplishing. How calloused and how arrogant has this government become that you would spend that kind of money at the expense of farmers, at the expense of home owners, at the expense of businessmen, at the expense of senior citizens, and at the expense of renters?

Mr. Speaker, I think that is stretching the imagination, to think that we can give money . . . 217,000 people in this province are hit by this Bill — 217,000 people are asked to contribute so that the minister in charge of crop insurance can pay a 16 per cent . . .

**MR. SPEAKER:** — Order, please. The member is stretching the Bill to the limit and then some, and I would ask him to come back to the subject that's at hand.

**MR. ENGEL:** — Well, Mr. Speaker, we're talking about bill 103, that is taking away the property improvement grant; it's taking away the home rebate program. If I can't add up the amount of money that we're taking away there, then we're getting it very narrow, and the debate's getting narrow, but I'll abide by your ruling, Mr. Speaker. I'll abide by your ruling.

And perhaps, perhaps when you talk about where the \$12 million is going to go, that is stretching it a little bit, but it's going to general revenue. It's going to general revenue, and I'm not

going to talk about how much money general revenue is paying to cabinet. I'll leave that aside if that's your wish.

But when I look at the amount of farmers — 61,000 farmers were involved according to Clayton commission's paper, background paper. Sixty-one thousand farmers were asked to contribute — were asked to contribute to the general treasury \$20 million by the property improvement grant, and \$16 million on the home quarter rebate grant.

Now that \$36 million is going into general revenue; it's not leaving general revenue. And it's money that's coming out of the pockets of farmers, and you can cut it how you want, Mr. Speaker, but I think that part of the debate today should say: why has this government decided to pass Bill 103, and why are they having this kind of impact on hidden tax, and hidden tax increase? And if I'm not allowed to talk about the \$100,000 spent on Toronto media centre that comes out of this money, then I'm going to have to change my tactics. I would love to discuss where that money's being spent and make a comparison, say, does the farmer need it worse than these various areas. Now it's cutting my speech very, very short, Mr. Speaker, if I can't make those kind of comparisons, so I'll just have to talk about what the farmer is having to give up.

Do you know, Mr. Speaker, how many acres a farmer can spray if he would have got that \$635? That's a legitimate thing. That's a legitimate question, because there's \$635 not going to the farmer that he would have gotten under normal conditions. If the cabinet would have decided not to pass Bill 103, half the argument on the grasshopper bait of grasshopper poison wouldn't have to be made in this House because half the money would be there — half the money would be there.

You've got the money in your pocket. Mr. Minister, you have taken that money from farmers — \$635 a farmer has come out of our pockets, and if government hadn't decided to spend it on programs that are so necessary. And farmers are saying, why are we getting both ends of the stick? Why are we getting it on both ends? You're taking it from us with one hand, and you're not giving it back to us on programs you should be giving back. And I think this is an illustration of an arrogant government.

Most governments take 12, 13, or 15 years to get that arrogant. This government has managed it in four short years. In four short years, you've gotten so arrogant that you don't only in times of stress, in times when things are tough, cut out the money that farmers have been getting; have been cutting out the money farmers need. You take that money and spend it some place else, and you don't give it back to the farmers.

I don't know of a farmer in Saskatchewan, if he would look at the records, and he would look at what you're doing and what you're doing to the Department of Agriculture, and he's see that money coming back, he'd say, I don't mind giving up that \$1,000, if you'd look after my interests — if you'd look after my interests. If this government was interested in farmers and the survival of the average family farm, every farmer in Saskatchewan would say, Bill 103 is the best for us. When we've got a problem, they're out there bailing us out. They're doing like Alberta's doing when we got a problem.

Alberta farmers don't have to worry about losing their property improvement grant, because they don't pay their property tax there any more. It's gone. And yet here you're taking \$635 or \$650 — depending on how much the home quarter is worth — from every farmer. In fact, I'm using too small a number. It's \$675; it's not 630. No wonder, no wonder the Minister of Finance was smiling and thinking it's easy going. It's \$375 for the property improvement grant, and an average of 300 for the home quarter is \$675; not 630, and I want to correct that mistake, Mr. Speaker.

That \$675 is being asked from a farmer in light, and going into a budget and staying in the hands of the Tory front benches, and given a free wheel to spend as they feel, and the farmer saying, this isn't fair. Hold it fellows, you've gone too far. This is one Bill we're not going to vote for. This is one little change that the farmers aren't going to support, because they're saying, my money is going into a treasurer that overlooks my needs.

In the treasury is a fund being built up with my money, and when I've got a problem and when there's a threat and a national disaster down there, this money isn't looking at my needs. And that's why farmers are against it. And that's why our caucus is standing 100 per cent four-square against this Bill. Because it's not fair. It's not a fair tax increase.

If there was any sign of fairness there we'd say, great. If there was a user-pay philosophy there, even, like the Liberals were developing, that'd be great. But it isn't, Mr. Speaker. We've got a philosophy today where those that have can get by without paying.

If you've really got it good, it's great. If you've really got it good, you don't need to pay. And if you belong to that (and I'm not sure what word I could use that would be parliamentary to describe what I think of it) but there's a group that manages treasury board that is taking advantage of those funds that are coming out of the pockets of farmers, and they're living high on the hog.

It takes five farmers — five farmers whose home quarter and five farmers whose property improvement grant to pay for Jim Garner's little . . . Oh, excuse me . . .

**MR. SPEAKER:** — Order, please. The member is out of order on two points. First I told you that you were out of order by relating individual expenditures like you are, and on the other one you are naming a member, and I'm going to ask the member to stay in line with the Bill.

**MR. ENGEL:** — I would apologize for the Minister of Highways and mentioning his name and his trip to Miami, but . . .

**AN HON. MEMBER:** — Hawaii.

**MR. ENGEL:** — It was Hawaii. Okay. But it was a \$2,400 trip, Mr. Speaker, that is coming from . . .

**MR. SPEAKER:** — Order, I told you that that type of discussion is out of order in the debate on this Bill, and I would ask the member to stay on the Bill.

**MR. ENGEL:** — Mr. Speaker, we're talking about a Bill that's going to take \$20 million from farmers for the property improvement grant. They don't need legislation to take the \$16 million on the home quarter because it was an order in council that instituted it.

We're talking about \$8 million that renters are contributing; 20 million from seniors; 30 million from home owners; and another 6 million from business men. Now that amount of money, that amount of money that's going into treasury, we're not going to discuss how that's being spent. We're not going to talk about a lavish government spending, but we'll talk about a greedy government and the source they're getting it to fund and finance their operation. And this greedy government has decided to tap this group of people who are least able to pay, to the tune of that kind of funding.

I'm disappointed. I'm disappointed today, and I suppose our rules committee is going to go at it, that we can give an overview of what's happening with legislation. But today, we're talking about Bill 103 that's going to repeal an Act that guaranteed for people that when they paid their taxes they were going to get some money back.

The property tax rebates and the property relief was first introduced way back in 1966. In 1966 we got our first cheque for \$50. That has grown to \$375 for farmers over the years. If you think that . . .

**MR. SPEAKER:** — Order, please. The member has been going back over the same speech that he gave to begin with, and the subject matter that you're just raising has been dealt with and it's becoming very repetitive.

**MR. ENGEL:** — Thank you, Mr. Speaker. I never mentioned the date that that was introduced before and I was going to say that from 1966 . . .

**MR. SPEAKER:** — Order. The member did raise that point before, and I would ask him to get on with something else.

**MR. ENGEL:** — Well the point I'm going to make is that for 19 years we've been getting a property improvement grant. Nineteen years is a long time. Most people will get into a business or into a profession, work for 20 years and retire from it. In 19 years we've established a tradition in this province that part of paying your taxes on time meant getting a cheque — part of paying your taxes on time meant getting a cheque. We are losing that wonderful advantage.

And R.M.s across the country, when it comes time to paying their bills this winter for snow removal and when it comes to talking about meeting their budgets, are going to say, how come we haven't got the money? How come we haven't got the money to fund snow removal this winter? How come we haven't got the money to keep our maintenance staff? How come we haven't got the money?

Well I'll tell you why they aren't going to have the money, is because this little incentive is taken away by the Tory government. And in their vicious grab to get enough money together to do things I can't talk about, at a time — at a time, Mr. Speaker, and I'm running out of time — but at a time when farmers' net income hits a 14-year low . . . Nineteen years we've been getting a property improvement grant, but at the year we get to the bottom, when we're at a 14-year low, you decide to take another \$675 away from the farmers.

Well I will tell you, those farmers will tell the member from Saltcoats how they like that. They're going to get a chance to vote on this Bill. Every farmer in Saskatchewan's going to get a chance to vote on this Bill, Mr. Speaker.

Rural municipalities across Saskatchewan . . . And I appreciate the member for Shaunavon giving me a copy, and he sent copies to the Hon. Minister of urban Affairs, and to the hon. member for Shaunavon. And it was written by the Rural Municipality of Val Marie to the minister for Rural Development. And this R.M., at a joint R.M. meeting, passed some resolutions that I think are in keeping with this Bill today.

At a joint ratepayers' supper meeting last night for R.M. 17 and R.M. 18, this resolution was passed:

Whereas the provincial government, in its recent budget, has announced the removal of the property improvement grant and the home quarter tax assistance program rebates, which will effectively mean an increase of about \$500 in 1985 property taxes paid by farmers in our municipalities; and whereas the taxation of property for educational purposes, rather than a tax on income, is an unfair tax system: therefore be it resolved . . .

To pass bill 104, Mr. Speaker? Not on your life. They resolved:

That we urge the provincial government to reinstate the property improvement

grant and the home quarter tax assistance program, and that we encourage the province towards removing the cost of education from property tax.

Mr. Minister, it being 1 o'clock, I beg leave to adjourn debate.

Leave not granted.

**MR. ENGEL:** — Mr. Speaker, in the Minister of Finance's budget speech on March 1984, he stood up in this House and as arrogantly and as puffed up as he could, he said . . .

**MR. SPEAKER:** — Being 1 o'clock . . . We're coming to the end of a very busy week. Before we adjourn for the week, I'd like to remind you that we are having a tea at 2 o'clock in the library in honour of Linton MacDonald, the Sergeant-at-Arms, and I would like to extend an invitation to all of you to attend this afternoon.

The Assembly adjourned at 1:01 p.m.